

OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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COMMISSIONERS

BOB STUMP - Chairman
GARY PIERCE
BRENDA BURNS
BOB BURNS
SUSAN BITTER SMITH

In the matter of:

DOCKET NO. S-20899A-13-0396

WILLIAM N. NORDSTROM and LINDA
NORDSTROM, husband and wife,

NORDSTROM NORDSTROM I, INC., an Arizona
corporation,

NORDSTROM IMPORTS, INC., an Arizona
corporation,

Respondents.

ORIGINAL

FIFTH
PROCEDURAL ORDER
(Vacates Hearing)

BY THE COMMISSION:

On November 19, 2013, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against William N. Nordstrom and Linda Nordstrom, husband and wife, Nordstrom Nordstrom, I, Inc. ("NNI"), and Nordstrom Imports, Inc. ("Imports") (collectively "Respondents"), in which the Division alleged multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts and stock.

Respondents were duly served with a copy of the Notice.

On March 10, 2014, counsel for Mr. and Mrs. Nordstrom filed a request for hearing on their behalf in response to the Notice in this matter pursuant to A.R.S §44-1972 and A.A.C. R14-4-306. A hearing request was not filed on behalf of either NNI or Imports which are defunct corporations.

On March 13, 2014, by Procedural Order, a pre-hearing conference was scheduled on April 21, 2014.

On April 21, 2014, at the pre-hearing conference, the Division and Mr. and Mrs. Nordstrom were represented by counsel. Counsel for the Division indicated that it would be ready to proceed

1 with a hearing in approximately three to four months and would call up to nine witnesses in support
2 of the allegations in the Notice. Counsel for Mr. and Mrs. Nordstrom requested that a hearing not be
3 scheduled for approximately six months because Mr. Nordstrom who is approximately eighty years
4 old had lymphoma and was preparing for a fourth round of chemotherapy in his battle against the
5 disease; has had all of his teeth removed; and was experiencing cognitive issues which made it
6 difficult to prepare for a hearing. Additionally, the Nordstroms had gone through a bankruptcy and
7 had moved to Utah and are living with relatives.

8 On April 24, 2014, by Procedural Order, a hearing was scheduled to commence on September
9 15, 2014.

10 On July 1, 2014, the Division filed a Motion for Continuance ("Motion") for at least eight
11 weeks of both the deadline for the exchange of Witness and Exhibit lists set for August 1, 2014, and
12 for the continuation of the hearing scheduled to commence on September 15, 2014. The Division
13 indicated that the remaining Respondents in the proceeding, William and Linda Nordstrom, are in
14 agreement with this Motion. The Division stated that one of its key witnesses will be unavailable
15 during the presently scheduled hearing and that Respondent William Nordstrom's cancer treatments
16 are continuing for a longer period than was anticipated. The Division further stated that the parties
17 are continuing to negotiate the terms of a settlement and that a continuance may possibly lead to a
18 resolution of the issues raised by the Notice.

19 On July 7, 2014, by Procedural Order, it was found that good cause had been established for
20 granting the Division's Motion for a continuance, and the hearing was continued to November 10,
21 2014; however, it was subsequently found that a conflict existed with this date.

22 On July 11, 2014, by Procedural Order, the commencement of the hearing and subsequent
23 hearing dates were continued to November 17, 2014, due to a scheduling conflict.

24 On September 29, 2014, the Respondents filed a Motion for Continuance of Deadline for
25 Exchanging List of Witnesses and Exhibits ("Motion for Continuance of Deadline") from September
26 29, 2014 to October 15, 2014, and indicated that the Division was in agreement with the request by
27 the Respondents.

28 On September 30, 2014, by Procedural Order, the Motion for Continuance of Deadline was

1 granted.

2 On October 21, 2014, the Division filed a proposed Consent Order to be approved by the
3 Commission with the remaining Respondents in the proceeding, William and Linda Nordstrom.¹

4 On November 5, 2014, the Commission approved the Consent Order against the remaining
5 Respondents, William and Linda Nordstrom.

6 Accordingly, the hearing should be vacated.

7 IT IS THEREFORE ORDERED that the **hearing scheduled on November 17, 2014**, is
8 hereby vacated.

9 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
10 Communications) is in effect and shall remain in effect until the Commission's Decision in this
11 matter is final and non-appealable.

12 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules
13 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
14 *pro hac vice*.

15 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance
16 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
17 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
18 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
19 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
20 Administrative Law Judge or the Commission.

21 IT IS FURTHER ORDERED that the Presiding Administrative Law Judge may rescind, alter,
22 amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by
23 ruling at hearing.

24 DATED this 13th day of November, 2014.

25
26 
27 MARC E. STERN
28 ADMINISTRATIVE LAW JUDGE

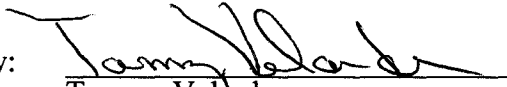
¹ On May 23, 2014, the Commission issued Decision No. 74496 against NNI and Imports.

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2 Copies of the foregoing mailed/delivered
this 13th day of November, 2014 to:

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